



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Melanie Sloan  
Executive Director  
Citizens for Responsibility and Ethics in  
Washington  
1400 Eye Street, Northwest, Suite 450  
Washington, DC 20005

**MAY 15 2009**

RE: MUR 6105  
Republican National Committee and  
Tim Morgan, in his official capacity  
as treasurer  
Governor Sarah Palin

Dear Ms. Sloan:

On April 30, 2009, the Federal Election Commission reviewed the allegations in your complaint dated October 23, 2008, and found that on the basis of the information provided in your complaint, and information provided by the respondents, there is no reason to believe the Republican National Committee and Tim Morgan, in his official capacity as treasurer, or Governor Sarah Palin violated 2 U.S.C. § 439(b)(2)(B). Accordingly, on April 30, 2009, the Commission closed the file in this matter.

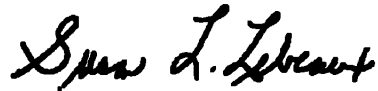
Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). The Factual and Legal Analyses, which more fully explain the Commission's findings, are enclosed.

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Melanie Sloan  
MUR 6105

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

A handwritten signature in black ink, appearing to read "Susan L. Lebeaux". The signature is fluid and cursive, with the first name "Susan" and last name "Lebeaux" clearly distinguishable.

Susan L. Lebeaux  
Assistant General Counsel

Enclosures  
Factual and Legal Analyses

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**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

**RESPONDENTS:** Republican National Committee and MUR: 6105  
Tim Morgan, in his official  
capacity as treasurer

**I. INTRODUCTION**

This matter was generated by a complaint filed with the Federal Election Commission ("Commission") by Citizens for Ethics and Responsibility in Washington. See 2 U.S.C. § 437g(a)(1). For the reasons set forth below, the Commission finds no reason to believe that the Republican National Committee and Tim Morgan, in his official capacity as treasurer, ("RNC") violated 2 U.S.C. § 439a(b)(2)(B) and 11 C.F.R. § 113.1(g).

**II. DISCUSSION**

The complaint alleges that the Republican National Committee and Tim Morgan, in his official capacity as treasurer, ("RNC") violated the personal use prohibitions of 2 U.S.C. § 439a(b) and 11 C.F.R. § 113.1(g), in connection with the RNC's purchase of clothing and accessories for Governor Sarah Palin and her family following her nomination as the Republican vice-presidential candidate. The complaint itself lists purchases of \$144,731 and attaches a chart created by the complainant entitled "RNC 'Campaign Accessory' Expenditures" showing purchases of \$145,914, and a copy of the RNC's Schedule F filed in October 2008, which appears to show all of its coordinated party expenditures on behalf of the Republican presidential campaign, not just the items in question. The complaint also attaches a news article reporting that the purchases cost over \$150,000.

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1       The RNC responded that the personal use prohibitions were not violated because the  
2 RNC used its own funds and not campaign funds of a candidate to purchase the items, and that  
3 the purchases, instead, constituted coordinated party expenditures by the RNC.

4       A contribution accepted by a candidate may be used by the candidate for otherwise  
5 authorized expenditures in connection with the campaign for federal office of the candidate.  
6 See 2 U.S.C. § 439a(a)(1). However, a contribution or donation described in 2 U.S.C.  
7 § 439a(a) shall not be converted by any person to personal use. 2 U.S.C. § 439a(b)(1).  
8 "Personal use" means any use of funds in a campaign account of a present or future candidate to  
9 fulfill a commitment, obligation, or expense of any person that would exist irrespective of the  
10 candidate's campaign . . . [and] includes, but is not limited to the use of funds in a campaign  
11 account for. . . [c]lothing, other than items of *de minimis* value that are used in the campaign."  
12 11 C.F.R. § 113.1(g)(1)(i)(c); see also 2 U.S.C. § 439a(b)(2)(B).

13       The RNC states that it used its own funds to make the expenditures for the clothing and  
14 accessories, and not the funds in the campaign account of any candidate, which is required for  
15 Section 439a to apply. We have no information to the contrary. As such, no candidate funds  
16 were converted to "personal use" with in the meaning of 2 U.S.C. § 439a and 11 C.F.R.  
17 § 113.1(g).

18       Moreover, the response asserts that these expenditures were appropriate coordinated party  
19 expenditures. The RNC, a national party committee, is permitted to make "coordinated party  
20 expenditures," that is, to spend general election funds on behalf of and in coordination with their  
21 presidential candidates' campaigns. 2 U.S.C. § 441a(d). Coordinated party expenditures are  
22 limited in amount and may not consist of funds given directly to the campaigns to use at their  
23 own discretion. 2 U.S.C. §§ 441a(d)(2), (d)(4)(C). The Act provides that "[n]otwithstanding any

1 other provision of law with respect to limitations on expenditures or limitations on contributions,  
2 the national committee of a political party . . . may make expenditures in connection with the  
3 general election campaign of a candidate for federal office." 2 U.S.C. § 441a(d)(1).

4 In this instance, the RNC, paid for the Palin and family campaign-related clothing and  
5 accessories on behalf of and in coordination with the campaign. The RNC reported the  
6 purchases in question as coordinated party expenditures to the Commission on its 2008 October  
7 Monthly report on Schedule F. At that time, it does not appear that the RNC exceeded its  
8 coordinated party expenditure limit of \$19,151,200 for the 2008 general election. See 2 U.S.C.  
9 § 441a(d)(2) and 11 C.F.R. § 109.32.

10 Therefore, there is no reason to believe that the RNC violated 2 U.S.C. § 439a(b)(2)(B)  
11 and 11 C.F.R. § 113.1(g).

1 **FEDERAL ELECTION COMMISSION**

2  
3 **FACTUAL AND LEGAL ANALYSIS**

4  
5 **RESPONDENT: Governor Sarah Palin**

**MUR: 6105**

6  
7 **I. INTRODUCTION**

8 This matter was generated by a complaint filed with the Federal Election Commission  
9 ("Commission") by Citizens for Ethics and Responsibility in Washington. See 2 U.S.C.  
10 § 437g(a)(1). For the reasons set forth below, the Commission finds no reason to believe that  
11 Governor Sarah Palin violated 2 U.S.C. § 439a(b)(2)(B) and 11 C.F.R. § 113.1(g).

12 **II. DISCUSSION**

13 The complaint alleges that Governor Sarah Palin violated the personal use prohibitions of  
14 2 U.S.C. § 439a(b) and 11 C.F.R. § 113.1(g), in connection with the Republican National  
15 Committee and Tim Morgan, in his official capacity as treasurer's, ("RNC") purchase of  
16 clothing and accessories for Governor Palin and her family following her nomination  
17 as the Republican vice-presidential candidate. The complaint itself lists purchases of \$144,731  
18 and attaches a chart created by the complainant entitled "RNC 'Campaign Accessory'  
19 Expenditures" showing purchases of \$145,914, and a copy of the RNC's Schedule F filed in  
20 October 2008, which appears to show all of its coordinated party expenditures on behalf of the  
21 Republican presidential campaign, not just the items in question. The complaint also attaches a  
22 news article reporting that the purchases cost over \$150,000.

23 Governor Palin responded that the personal use prohibitions were not violated because  
24 the RNC used its own funds and not campaign funds of a candidate to purchase the items, and  
25 that the purchases, instead, constituted coordinated party expenditures by the RNC.

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1           A contribution accepted by a candidate may be used by the candidate for otherwise  
2 authorized expenditures in connection with the campaign for federal office of the candidate.  
3 See 2 U.S.C. § 439a(a)(1). However, a contribution or donation described in 2 U.S.C.  
4 § 439a(a) shall not be converted by any person to personal use. 2 U.S.C. § 439a(b)(1).  
5 "Personal use" means any use of funds in a campaign account of a present or future candidate to  
6 fulfill a commitment, obligation, or expense of any person that would exist irrespective of the  
7 candidate's campaign . . . [and] includes, but is not limited to the use of funds in a campaign  
8 account for. . . . [c]lothing, other than items of *de minimis* value that are used in the campaign."  
9 11 C.F.R. § 113.1(g)(1)(i)(c); see also 2 U.S.C. § 439a(b)(2)(B).

10           Gov. Palin states that the RNC used its own funds to make the expenditures for the  
11 clothing and accessories, and not the funds in the campaign account of any candidate, which is  
12 required for Section 439a to apply. We have no information to the contrary. As such, no  
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15           Moreover, the response asserts that these expenditures were appropriate coordinated party  
16 expenditures. The RNC, a national party committee, is permitted to make "coordinated party  
17 expenditures," that is, to spend general election funds on behalf of and in coordination with their  
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21 other provision of law with respect to limitations on expenditures or limitations on contributions,  
22 the national committee of a political party . . . may make expenditures in connection with the  
23 general election campaign of a candidate for federal office." 2 U.S.C. § 441a(d)(1).

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5 coordinated party expenditure limit of \$19,151,200 for the 2008 general election. *See* 2 U.S.C.  
6 § 441a(d)(2) and 11 C.F.R. § 109.32.

7           Therefore, there is no reason to believe that Governor Palin violated 2 U.S.C.  
8 § 439a(b)(2)(B) and 11 C.F.R. § 113.1(g).